

the CCC's progress payment program and the EDC's guarantee mechanism for accounts receivable.

EDC and the banks have also agreed to share the risk in the case of medium-term financing for SMEs whose export sales do not exceed \$10 million.

We have opened the Canada Business Centre in Mexico City. This centre offers exhibition space and temporary offices for Canadian businesses, especially SMEs. It is a pilot project that could serve as a model for similar future initiatives elsewhere.

You all know the growing importance of the Asia-Pacific region, both politically and commercially. The Department has raised its profile in the region, using its own resources:

- by appointing an ambassador to Hanoi;
- by opening a trade office in Ho Chi Minh City;
- by opening a trade office in Pusan, Korea;
- by opening a consulate in Guangzhou, China; and
- by establishing additional trade officer positions at some of our embassies, such as in Jakarta.

Like all other departments and agencies, CIDA has contributed to our efforts to reduce the deficit. CIDA will have to cope with a substantial decrease in resources allocated to the international assistance envelope, which will be reduced by \$381 million this year and next, a decrease of 15 per cent.

In making these cuts, care had to be taken to avoid jeopardizing CIDA's ability to apply the principles that lie at the heart of the Statement on Foreign Policy. The Statement gives CIDA the mandate to support sustainable development in developing countries. The Statement also defined six priorities for Canadian official assistance:

- to meet basic human needs;
- to promote the participation of women in development;
- to deliver infrastructure services;
- to protect and promote human rights;
- to support private-sector development; and
- to protect the environment.

In terms of basic human needs, I am happy to see that the Government and the Joint Committee fully agree in this regard.

As suggested by the Committee, the Government has in fact made a commitment to allocate 25 per cent of official development assistance to meet the basic needs of primary health care, basic education, nutrition, water quality, sanitation works, and housing. Having adopted all of these decisions, we can say that